

SCOTTSDALE

CITY COUNCIL MEETING

AGENDA



COUNCIL

Mary Manross, Mayor

Wayne Ecton

Robert W. Littlefield

Cynthia Lukas

Ned O'Hearn

David Ortega

Tom Silverman

Tuesday, June 3, 2003

MARKED AGENDA

4:00 P.M.

City Council Special Meeting to Call Executive Session

Call to Order – City Hall Kiva Forum, 3939 N. Drinkwater Blvd. - **4:05 PM**

Roll Call - ALL PRESENT

1. MOTION TO RECESS INTO EXECUTIVE SESSION, FOR DISCUSSION OR CONSULTATION FOR LEGAL ADVICE AND TO CONSIDER THE CITY'S POSITION AND INSTRUCT ITS REPRESENTATIVES AND ATTORNEY(S) REGARDING DISCUSSION OR CONSULTATION WITH THE CITY'S ATTORNEY(S) AND ITS OUTSIDE COUNSEL FOR LEGAL ADVICE AND TO CONSIDER ITS POSITION AND INSTRUCT ITS ATTORNEYS REGARDING THE FOLLOWING PENDING LITIGATION: SCOTTSDALE 275, LLC vs CITY OF SCOTTSDALE, et al. A.R.S. 38-431.03 (A)(3) AND (A)(4). (REQUESTED BY D. PENNARTZ)

Adjourn - 4:39 PM

City Council Executive Session

Immediately Following 4:00 P.M. City Council Special Meeting

Call to Order – City Hall Kiva Conference Room

1. DISCUSSION OR CONSULTATION WITH THE CITY'S ATTORNEY(S) AND ITS OUTSIDE COUNSEL FOR LEGAL ADVICE AND TO CONSIDER ITS POSITION AND INSTRUCT ITS ATTORNEYS REGARDING THE FOLLOWING PENDING LITIGATION: SCOTTSDALE 275, LLC vs CITY OF SCOTTSDALE, et al. A.R.S. 38-431.03 (A)(3) AND (A)(4). (REQUESTED BY D. PENNARTZ)

Adjourn

5:00 P.M.
CITY COUNCIL MEETING

Call to Order – City Hall Kiva Forum, 3939 N. Drinkwater Boulevard - **5:14 PM**

Roll Call - **ALL PRESENT**

Public Comment - **1) DIXIE WHITTIER – SOUTH SCOTTSDALE; 2) MARY HENKENIUS – VITALIZATION OF SOUTH SCOTTSDALE; 3) SHIRLEY RICE – SOUTH SCOTTSDALE; 4) IGNACIO CINA – SOUTH SCOTTSDALE; 5) IRENE INGRAM – LOS ARCOS**

Citizens may complete one speaker/citizen comment card per night and submit it to the City Clerk before or during this evening's meeting. Please check the box that refers to "public comment." This "Public Comment" time is reserved for citizen comments regarding non-agendized items. No official Council action can be taken on these items.

CONSENT AGENDA **ITEMS 1 - 14**

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- 1. Inn Suites Hotels & Suites Liquor License – OK - C**
Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 11 (hotel) State liquor license for an existing hotel location.
Location: 7707 E McDowell Rd
Reference: 24-LL-2003
Staff Contact(s): Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov
 - 2. Ayako of Tokyo Liquor License – OK - C**
Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for an existing restaurant location.
Location: 7042 E Indian School Rd
Reference: 25-LL-2003
Staff Contact(s): Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov

3. The Moody Brew Liquor License – OK - C

Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license.

Location: 8445 E Hartford Dr

Reference: 26-LL-2003

Staff Contact(s): Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov

4. Pasta Bene Liquor License – OK - C

Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for an existing location.

Location: 6990 E Shea Bl

Reference: 28-LL-2003

Staff Contact(s): Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov

5. Circle K Store # 6347 Liquor License – OK – 7/0

Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 10 (beer/wine store) State liquor license for an existing convenience store location.

Location: 8202 E McDowell Rd

Reference: 29-LL-2003

Staff Contacts: Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov

6. Mirabel Club Liquor License – OK - C

Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a person and location transfer of a series 6 (bar) State liquor license for a new golf course/club location.

Location: 37401 N Mirabel Club Dr

Reference: 30-LL-2003

Staff Contact(s): Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov

7. Frank & Lupes Outdoor Courtyard Extension and Liquor License – OK - C

Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a permanent extension of premises for an outdoor courtyard serving area.

Location: 4121 N Marshall Wy

Reference: 13-EX-2003

Staff Contact(s): Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov

8. Modifying 110th Place Abandonment – OK - C

Request: Consider the following:

1. Abandon a portion of 110th Place cul-de-sac.
2. Dedicate a new 110th Place cul-de-sac.
3. Adopt Resolution No. 6293 vacating and abandoning a portion of the public right of way.

Location: E Cave Creek Rd

Reference: 1-AB-2003

Staff Contact(s): Cheryl Sumners, Senior Planner, 480-312-7834, csumners@ScottsdaleAZ.gov

9. Contract for Legal Services in connection with *Scottsdale 275, LLC v. City of Scottsdale, et al*, Case No. CIV02-0041-PHX-MHM, pending in Arizona District Court. – OK - C

Request: Adopt Resolution No. 6295 authorizing the Mayor to execute Contract No. 2002-032A-COS, legal services contract renewal in a maximum amount of One Hundred Thousand Dollars (\$100,000.00), with the law firm of Lewis and Roca, LLP for legal services regarding representation of the City of Scottsdale in the litigation entitled *Scottsdale 275, LLC v. City of Scottsdale, et al*.

Related Policies, References: Resolution No. 6295; prior contract (No. 2002-032-COS) and Resolution 6043.

Staff Contact(s): David A. Pennartz, City Attorney, dpennartz@scottsdaleaz.gov; Deborah W. Robberson, Deputy City Attorney, drobberson@scottsdaleaz.gov

10. An intergovernmental agreement between the cities of Scottsdale, Chandler, Glendale, Goodyear, Mesa and Peoria, and a legal services contract between those cities and the law firm of Engelman Berger, P.C., relating to joint legal representation in settlement activities in connection with the *CAWCD v. U.S.* litigation. – OK - C

Request: Adopt Resolution No. 6300 authorizing the Mayor to enter into: (a) Eighth Intergovernmental Agreement No. 2003-108-COS, an agreement between the cities of Scottsdale, Chandler, Glendale, Goodyear, Mesa and Peoria, and (b) Agreement No. 2003-109-COS, a Contract for Legal Services among the aforementioned cities and the law firm of Engelman Berger, P.C., both relating to joint legal representation in settlement activities in connection with the *CAWCD v. U.S.* litigation.

Staff Contact(s): David Pennartz, dpennartz@scottsdaleaz.gov, (480) 312-2405; Paul Norman, pnorman@scottsdaleaz.gov, (480) 312-2405

11. Contract for Legal Services in connection with a proposed redevelopment agreement for Los Arcos. – OK – 7/0

Request: Adopt Resolution No. 6296 authorizing the Mayor to execute Contract No. 2003-101-COS, an outside counsel contract renewal in a maximum amount of Forty Thousand Dollars (\$40,000) with the law firm of VAN WAGNER & ERHART LLP for legal services regarding representation of the City of Scottsdale in a proposed redevelopment agreement for Los Arcos.

Related Policies, References: Resolution No. 6296

Staff Contact(s): David A. Pennartz City Attorney, dpennartz@scottsdaleaz.gov; (480) 312-2405

12. **Contract for Legal Services in connection with City of Scottsdale v. Phillip P. Lovell, Superior Court Case No. CV2000-017992 – OK - C**
Request: Adopt Resolution No. 6297 authorizing the Mayor to execute Contract No. 2003-102-COS, an outside counsel contract renewal in a maximum amount of Fifty Thousand Dollars (\$50,000.00) with the law firm of AYERS & BROWN, P.C. for legal services regarding representation of the City of Scottsdale in the litigation entitled City of Scottsdale v. Phillip P. Lovell, Superior Court Case No. CV2000-017992, an eminent domain action brought to acquire real property for McDowell Sonoran Preserve.
Related Policies, References: Resolution No. 6297
Staff Contact(s): Donna M. Bronski, Deputy City Attorney, dbronski@scottsdaleaz.gov, (480) 312-2405
13. **Approve annual contract with GPEC for economic development marketing – OK - C**
Request: Adopt Resolution No. 6304 authorizing General Funds in the amount of \$83,806 for provision of regional economic development marketing services, and
Approve Contract No. 2003-107-COS with the Greater Phoenix Economic Council
Related Policies, References: Economic Vitality Strategic Plan, approved by Council 11/02
Staff Contact(s): David Roderique, Economic Vitality General Manager, 480-312-7601, droderique@scottsdaleaz.gov
14. **Approve Industrial Development Refinancing Bonds for Scottsdale Healthcare – OK - C**
Request: Adopt Resolution No. 6239 upholding the approval of the Scottsdale Industrial Development Board for the authorization of the issuance of up to \$40 million in Industrial Development Revenue Bonds to Scottsdale Healthcare for the refinancing of existing bonds; and, declare an emergency to enable Scottsdale Healthcare to sell these bonds immediately, thus avoiding possible interest rate changes.
Staff Contact(s): David Roderique, Economic Vitality General Manager, 480-312-7601, droderique@scottsdaleaz.gov

Regular Agenda begins on the following page

15. Updating Regulations for massage facilities, massage therapists and general provisions for licensing and permits - 7/0 W/ AMENDMENT

Request: Approve Ordinance No. 3510, imposing new fees, adding annual fingerprinting and other updates to the massage therapist and facility regulations; and Approve Ordinance No. 3509, amending and updating the Article I of Chapter 16, relating to the general provisions for licenses and permits.

Related Policies, References: Chapter 16 of the City Code; Licenses, Taxation, and Miscellaneous Business Regulations; Senate Bill 1103, effective May 13, 2003.

Staff Contact(s): Captain Burl Haenel, District 1, bhaenel@scottsdaleaz.gov, (480) 312-7318, Cindy James, Customer Services Director, Tax and License, cjames@scottsdaleaz.gov, (480) 312-5925, Donna Bronski, Deputy City Attorney, dbronski@scottsdaleaz.gov, (480)312-2624

16. Annual review and update of Downtown Enhanced Municipal Services District No. 2 - 4/3 (MM, DO, CL) AS AMENDED

Request: Adopt Resolution No. 6298 (Attachment A) to accomplish all of the following:

1. Reject any objections received to the legality of the assessments for Fiscal Year 2003-2004 for the Downtown Enhanced Municipal Services District No. 2 as insufficient and without merit.
2. Establish at \$527,500 the amount of funds to be raised for District projects through assessments for Fiscal Year 2003-2004.
3. Supplement the amount raised through assessments, by committing toward funding of enhanced municipal services within the District during Fiscal Year 2003-2004, an additional \$100,000 from the City's general fund.
4. Establish a Fiscal Year 2003-2004 budget for the District in the total amount of \$612,000 as detailed on Attachment B.
5. Approve expenditure of \$97,000 in District funds under existing Contract No. 2002-100-COS with Downtown Scottsdale Partnership, Inc. for Fiscal Year 2003-2004.
6. Approve expenditure of \$500,000 in District funds under existing Contract No. 2002-111-COS with Cramer-Krasselt for Fiscal Year 2003-2004,

Related Policies, References: On May 28, 2002, the Mayor and City Council adopted Resolution No. 6083 ordering the provision of enhanced municipal services within the Downtown Enhanced Municipal Services District No. 2, and providing for the annual costs and expenses to be assessed against the real property within the District for each of the next five years. On July 2, 2002, the Mayor and City Council adopted Resolution No. 6112A adopting a budget for the Downtown Enhanced Municipal Services District for 2002-2003, and awarding contracts to Cramer-Krasselt for marketing services and promotion at a cost of \$500,000 and to Downtown Scottsdale Partnership for district administration at a cost of \$97,000.

Staff Contact(s): Sahler Hornbeck, Downtown Liaison, 480-312-2394, shornbeck@scottsdaleaz.gov; Laurel Edgar, Revitalization Manager, 480-312-7313, ledgar@scottsdaleaz.gov

Public Comment - NONE

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City Manager's Report - NONE

Mayor and Council Items - NONE

Adjournment - 9:25 PM

Executive Sessions authorized by Arizona Revised Statutes 38-431.03 in the Kiva Conference Room, City Hall, at 3:30 P.M., during or immediately following the 5:00 P.M. Meeting. Executive Sessions are posted at least twenty-four hours prior to such meetings.

Section 2.17 of the Scottsdale City Code states, "Regular Meetings that are scheduled to be conducted on consecutive days may be combined and held on either of the two (2) days, at the election of the council, and shall be considered a single meeting." The Council may hold over any items noticed on the Monday agenda to the agenda for the Tuesday meeting.